

# **PRESS RELEASE**

## **Congressman John Conyers, Jr.**

**Fourteenth District, Michigan  
Ranking Member, Committee on the Judiciary  
Dean, Congressional Black Caucus**

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**FOR IMMEDIATE RELEASE:**  
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### **CONYERS INTRODUCES CRIMINAL LAW RESPONSE TO ENRON DEBACLE**

#### **PLANS TO BRING AMENDMENT BEFORE RULES COMMITTEE TOMORROW AS PART OF ENRON PENSION REFORM EFFORT**

Today, Congressman John Conyers, Jr., Ranking Member of the House Judiciary Committee, joined Minority Leader Gephardt, Representatives Frank, Berman, Jackson Lee, Waters, Engel, Dingell, Jackson, Jr. (IL), Christensen, Davis (IL), Cummings, Sanders, Solis, Clayton, Brown (FL), Lynch, and Hoeffel, Gutierrez, Schkowsky in introducing the "Corporate and Criminal Fraud Accountability Act of 2002."

Conyers issued the following statement regarding the legislation:

"The 'Corporate and Criminal Fraud Accountability Act of 2002' imposes tough criminal and civil penalties on corporate wrongdoers and helps protect employees and shareholders against future acts of corporate fraud.

The past several months have revealed widespread incidences of corporate fraud and abuse committed by Enron and its advisers. With each passing day, a new revelation concerning the dissemination of misinformation, evidence shredding, obstruction of justice, and insider trading has been unveiled. And, as more companies file for bankruptcy, I am convinced that we may very well learn of additional instances of fraud occurring across corporate America.

One step we can take to prevent corporate wrongdoers from preying on innocent investors and employees is to enact legislation that increases the penalties that companies face for engaging in such rapacious acts. The bill that I am introducing, the "Corporate and Criminal Fraud Accountability Act of 2002", does just that. Among other things, it creates a new 10-year felony for defrauding shareholders of publicly-traded companies; clarifies current criminal laws relating to the destruction or fabrication of evidence, including the shredding of financial and audit records; provides whistleblower protection to employees of publicly-traded companies, similar to those currently available to many government employees; and establishes a new bureau within the Department of Justice to prosecute crimes involving securities and pension fraud.

In the wake of the Enron debacle, I believe the time is now ripe to protect American investors once again. The Enron case has established beyond a shadow of a doubt that white collar fraud can be incredibly damaging, in many cases wiping away life savings and costing innocent Americans billions of dollars of their hard earned money. There can be no conceivable justification for shielding corporate wrongdoers from criminal prosecution for their outrageous behavior.

This is an issue that needs to be addressed now. That is why I plan to take this bill to the Rules Committee tomorrow so that we can address this matter as part of our Enron pension reform effort."

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